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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 11/14/07

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ARTICLES:

(1) New antiterror bill to clear Lower House today, then to be sent to Upper House; Snap election still a possibility

MAINICHI (Page 3) (Full)
November 13, 2007

The new antiterrorism special measures bill is expected to clear the Lower House today. It will then be sent to the Upper House, where opposition parties have dominance. The Democratic Party of Japan (DPJ or Minshuto) aims at prolonging deliberations. The prevailing view is that the opposition camp will vote down the bill sooner or later, and the ruling parties will pass it with a majority of two-thirds or more again in the Lower House. Both the Liberal Democratic Party (LDP) and the Democratic Party of Japan (DPJ or Minshuto) want to avoid an early dissolution of the Lower House. However, if public opinion regarding the scandal involving Yamada Yoko, a trading house specializing in military procurement, changes, both sides might find themselves in a situation in which there are absolutely no way out. The Diet session will likely enter a tense phase towards the end of the session in the middle of next month, when Upper House deliberations are nearing an end.

Prime Minister Yasuo Fukuda yesterday told reporters his sentiments on upcoming Upper House deliberations on the new antiterror law: "We have cleared one step. We have come a long way. We must do our utmost to go a long way ahead of us."

The deliberation schedule in the Upper House, where the opposition camp has a majority, is fairly tight. The DPJ is insisting on giving priority to the Iraq Reconstruction Special Measures Law instead of the new antiterror bill. Deliberations on the new antiterror bill will unlikely take place until the prime minister's US visit is

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over.

As such, with the start of deliberations in the Upper House plenary session on Nov. 19 in mind, the ruling camp has set a schedule for the prime minister to immediately return home as soon as the summit is over. The prime minister will leave for Singapore on the afternoon of the 19th in order to take part in a meeting of the Association of Southeast Asian Nations (ASEAN) plus 3 (Japan, China and South Korea).

The ruling parties believe that even if the start of deliberations is delayed until the 26th, at least 30 hours necessary for taking a vote on the bill can be secured. They conjecture that it would be possible to keep the bill from being scrapped due to insufficient deliberations with the opposition camp prolonging discussions, as the Diet session has been extended to December 15.

If an Upper House roll call on the bill takes place at the end of the session, it is bound to be voted down, unless a consensus is reached with the DPJ at revision talks. Should that occur, the ruling parties would be determined to pass the bill by reaching a decision with a majority of two-thirds or more again in the Lower House.

Both the ruling and opposition camps want to avoid the Lower House being dissolved over this issue. LDP Secretary General Bunmei Ibuki during a press conference yesterday hinted at a possible dissolution of the Lower House and snap election, saying, "There might be a case in which the situation will change drastically, if the DPJ introduces a censure motion." He thus strongly checked the DPJ from submitting a censure motion against the prime minister to the Upper House in the event of the bill being passed again in the Lower House.

However, if investigation into the former executive director of Yamada Yoko and former Administrative Vice Defense Minister Moriya by the Tokyo District Public Prosecutors Office spills over into political and bureaucratic circles, the pattern of the ruling parties being in command following the commotion in the DPJ since the party head talks would change completely. As such, a sense of alarm about an unexpected Diet dissolution persists. If the prime minister takes an aggressive approach to counter an opposition

censure motion against him, the Lower House could be dissolved either at the end of the current Diet session or at the outset of the regular Diet session next January.

(2) Editorial: Step up efforts to enact new antiterrorism bill to continue refueling operation in extended session

NIKKEI (Page 2) (Full)
November 10, 2007

It has been decided that the current Diet session will be extended by 35 days until Dec. 15. It is necessary to pass such key bills as an antiterrorism bill aimed at resuming the Maritime Self-Defense Force's (MSDF) refueling operation in the Indian Ocean, now under deliberation in the House of Representatives, and a bill amending the Minimum Wage Law, on which an agreement has already been reached between the ruling and opposition camps, as well as to shed light on the details of a series of scandals involving the Defense Ministry. To do so, the session naturally should be extended. Although it is desirable to enact the antiterrorism bill based on an agreement

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between both camps, like the minimum wage legislation, the ruling coalition should not hesitate to resort to its two-thirds majority in the Lower House in the event the bill is rejected in the House of Councillors.

The revelation that Prime Minister Yasuo Fukuda and Democratic Party of Japan (DPJ) President Ichiro Ozawa discussed the idea of forming a grand coalition during their earlier meetings upset many lawmakers. The uproar has now calmed down, and the ruling and opposition camps have regained composure. It is undesirable for politicians to become unsettled under the state of the reversal of strengths between the ruling and opposition camps. Reflecting on the series of recent uproars, both ruling and opposition parties should hold deliberations in the extended session in a serious manner, keeping in mind the basic principles of parliamentary politics and Diet management.

Even in the situation of the opposition camp holding a majority in the Upper House, it should be possible for both camps to push ahead with national affairs if they earnestly hold deliberations from the viewpoint of protecting the people's livelihoods and national interests. A bill amending the Natural Disaster Victims Relief Law was enacted yesterday, and the bill amending the Minimum Wage Law also cleared the Lower House after the ruling and opposition groups agreed to correct some parts. Regarding a bill amending the Political Funds Control Law, as well, the ruling and opposition blocs are energetically engaged in consultations to find common ground. Both sides should continue such efforts.

In the prolonged session, the antiterrorism bill will be soon sent to the Upper House. As the Upper House has been referred to as "the seat of common sense," its members from both camps, while playing up their uniqueness and common sense, should try to form a consensus to enable the MSDF refueling mission to be resumed. We expected both camps to conduct a serious debate in the Upper House on whether Japan's withdrawal from the fight against terrorism is proper and what negative impact will be brought about on its national interests.

If the Upper House rejects the bill with no good sense, the ruling coalition should decide to take a revote in the Lower House. Even if the bill is voted down in the Upper House, the coalition is authorized to still ram it through the Diet under the Constitution. If the ruling bloc judges it absolutely necessary to take this measure in order to protect national interests, the coalition should not hesitate to use this authority.

Some observers anticipate that if the ruling camp uses its two-thirds majority in the Lower House to force the bill through the Diet, the DPJ would adopt a censure motion against the prime minister and press the Fukuda administration to dissolve the Lower House or dismiss his cabinet en masse. But this view is not correct. A censure motion has no legal binding power. If the ruling coalition adopts a motion of confidence in the cabinet in the Lower House, the

government will not be driven into a corner.

Once the DPJ refuses deliberations while citing a censure motion against the prime minister in the Upper House, the ruling camp should dissolve the Lower House to seek the people's judgment in a dignified manner. In the Diet, the ruling and opposition parties should try to find common ground through talks, and this is fundamental in managing Diet business. If both sides fail to reach

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an agreement, constitutional procedures should be taken. Forming a grand coalition should come after such procedures are taken.

(3) Asia's stability closely associated with stability of Japan-US alliance; Japan must contribute to alliance with US and peace

ASAHI (Page 3) (Abridged slightly)
November 10, 2007

Yoichi Funabashi, chief diplomatic correspondent and columnist of Asahi Shimbun

When he assumed office late last year, US Secretary of Defense Robert Gates said that his priority policy issues were Iraq, Iraq and Iraq. It has been one year, but there are no prospects for the stability of Iraq and the war on terrorism. In addition, the situation in Pakistan, a US ally, has become even more unstable, frequently hit by terrorist attacks.

What is more serious is Iran's nuclear program. The move might trigger a nuclear arms race in the Middle East, bringing instability to the region. Ahead of Japan, Gates visited China where he futilely urged the country to join the United Nations' economic sanctions on Iran, citing its negative impact on energy security. The United States has also exhibited limitations to its power.

Although Gates while in Beijing raised questions about China's direction and intention to modernize its military offensive capability, evidenced by its anti-satellite missile test, China did not respond his call for discussion. China's secrecy regarding security has been a barrier. At the same time, Gates exhibited a stance of continuing to make persistent efforts for mutual understanding by touching on the experience of having promoted military exchanges with the Soviet Union during the Cold War. Japan and China must also make efforts to build mutual trust between defense authorities of the two countries.

While in Japan, senior government officials conveyed to Gates their concern about delisting North Korea as a state sponsor of terrorism. There also is some skepticism about the effectiveness of the six-party agreement on the denuclearization of North Korea, in addition to suspicions about nuclear proliferation from North Korea to Syria. Gates explicitly said that the United States and Japan would continue cooperating on missile defense even after North Korea was denuclearized. He regards the uncertainty of the region as long-term.

The "Japan-US alliance in a global context" that has been advocated by Washington and Tokyo since 9/11 seems to have lost its momentum due to the suspension of the refueling operation in the Indian Ocean. Despite that, Gates did not say "show the flag" or "send ground troops" possibly to avoid being taken as applying gaiatsu (foreign pressure). It is also a fact that the United States does not have the power to apply gaiatsu.

Throughout the postwar period, Japan built its security and Asia policies backed by the strong United States. But the United States is now on the wane. As its partner, the United States needs a dependable major power that can bring stability to the region. The United States has chosen China for the denuclearization of North Korean.

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Senator Hillary Clinton, who has announced her candidacy for the next US presidential race, wrote recently, "Our relationship with China will be the most important bilateral relationship in the world in this century." About this point, Gates said: "I do not set priorities. The world is so unpredictable." In any case, the United States would probably relativize the Japan-US alliance as part of its diplomatic strategy. The question is how to evolve it so that it can contribute to the peace and stability of Japan and East Asia.

Gates delivered a speech at Sophia University (on Nov. 9) touching on the importance of expanding multilateral ties. The United States is searching for a new order that is neither the horizontal power equalization of the old European type or the vertical hierarchy of East Asia, according to US Ambassador to Japan Thomas Schieffer. Policy dialogues among Japan, the United States, and China are certain to crop up as a topic for the Japan-US alliance.

The Japan-US alliance has been of great help to the stability of Asia. The bilateral alliance is expected to continue to play an important role. For the stability of the Japan-US alliance, it is essential for Japan to build stable relations with Asian neighbors. Will Japan be able to drive home that it is as eager as the United States to paint the future of Asia? That is a top priority for Prime Minister Yasuo Fukuda's visit to the United States next week.

Gist of question-and-answer session with Gates

War on terrorism

-- What is your view on the state of emergency in Pakistan?

"The seriousness of the situation would change depending on whether President Musharraf conducts a general election and quits as the army chief general."

"The former Iraqi military was created by (former President Saddam) Hussein, whereas the Pakistani military is respected from various political forces and stays away from politics. The question is when the military runs out of patience and interferes in politics. As far as this crisis continues, the government and the military would focus more on domestic matters than on the Afghan border issue. Our interest lies in the concentration of military and security forces on the frontlines of the war on terrorism."

-- Has the war on terrorism accomplished anything?

"The war on terrorism is going much better than the expectation 10 months ago. Both in Iraq and Afghanistan, we initially did not pay much attention to local governments as we were preoccupied with building central governments and governing capabilities. The situations in some areas have improved through talks with and support by tribal chiefs.

Concern about China

-- What did you accomplish by visiting China and what are your concerns about that country?

"In talks with the leaders, I pointed out two things. One was about the pace and scale of China's modernization of its military. Another was about Iran."

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-- How did you react to China's anti-satellite missile test?

"I expressed concern, but the talks ended there. Historically, China has been secretive regarding security issues."

"I learned from the talks with the Soviet Union 35 years ago on the limitation of strategic arms that holding talks for many years between military experts to understand each other's strategic intentions was helpful to prevent misconceptions and wrong decisions. I proposed launching a continuous dialogue in order for the two countries' militaries to better understand how they perceive threats."

-- How about your concern about China's moves regarding Iran?

"I told the Chinese leaders that China has generated inconsistent messages regarding the Iran issue. China supported a UN Security Council resolution on sanctions against Iran on one hand, and it held talks on sales of arms and on energy on the other."

"I also conveyed the view that Iran is the largest unstable factor (in the Middle East). If China is worried about long-term energy security, it's vital that Iran does not possess nuclear weapons technologies. Otherwise, a nuclear race would start in this region.

North Korea and other issues

-- What is your view of the threat of nuclear weapons possessed by North Korea?

"One of the reasons I support the six-party talks is that they aim at a step-by-step process. We can tell whether the North is keeping its promise at each stage. But the ultimate question is whether the North is prepared to denuclearize itself. It has departed, but the goal is quite far away."

-- What about allegations that North Korea is providing nuclear assistance to Syria?

"President Bush has warned that if North Korea tried to spread nuclear arms or technologies, a serious consequence would follow. We are watching the country closely."

-- Some have expressed concern about whether the United States continues providing the expanded nuclear deterrence (nuclear umbrella).

"I reassured Defense Minister Ishiba and Foreign Minister Koumura on Nov. 8 that the United States would continue providing the expanded nuclear deterrence. The expanded nuclear deterrence is complemented by the missile defense (MD) program on which the United States and Japan are cooperating. The whole picture, including US force realignment, symbolizes the bilateral relationship that is closer and more energetic than 15 years ago."

-- In the event North Korea is denuclearized, wouldn't the missile defense system be unnecessary?

"I don't think so. The world is always so very unstable that we cannot forecast the world 15 years from now. What is important is to have the ability to gather military intelligence and maintain alliances."

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-- What is the impact of the discontinuation of the Maritime Self-Defense Force's refueling operation in the Indian Ocean?

"The refueling operation does not concern US-Japan relations alone; it is assistance to the coalition of the willing backing freedom in Afghanistan. The refueling operation is a significant contribution to a broad range of countries jointly making efforts."

-- The United States is calling for settling the Futenma relocation issue based on the US force realignment roadmap. Isn't there any approach that is more flexible?

"The roadmap is an extremely complex agreement. It is consistent, and if only one thread was removed, the whole thing would come loose. This must be implemented as soon as possible, and I am counting on Japan's cooperation."

(4) Gates presses Tokyo for "fair share" of Japan-US alliance cost, expressing opposition to reducing host-nation support

Commentary

US Secretary of Defense Robert Gates in an interview on Nov. 9 with news companies, including Yomiuri Shimbun, referred to Japan's host-nation support (commonly called the "sympathy budget") for US Forces Japan (USFJ) as a "symbol of Japan's enthusiasm for the Japan-US alliance." It was an implication that if Japan insists on reducing its host-nation support, the matter could escalate into a serious political issue that would rock the foundation of the bilateral alliance.

On Nov. 1, Japan suspended the nearly six-year Maritime Self-Defense Force operation in the Indian Ocean to refuel vessels of the United States and other countries. It can be said that Gates called for the reinforcement of Japan's "commitment to the alliance" in terms of money and people by hitting on Japan's sensitive point.

The sympathy budget covers the maintenance cost of US military facilities and utility costs for USFJ, in addition to the labor costs of Japanese employees working at US bases in Japan. Although the sympathy budget is on the slight decline since it peaked at 275.6 billion yen in FY1999, the figure for FY2007 was 217.3 billion yen. Even some senior Liberal Democratic Party defense policy specialists think Japan's host-nation support for USFJ is too large in terms of the international standards.

Gates, however, pressed Japan to bear its "fair share" of the costs, saying that Japan is benefiting enormously from the alliance with the United States.

Although the Japan-US alliance is firm, failure to bridge the gap and make efforts to maintain it would result in discord. It can be said that Prime Minister Yasuo Fukuda is presented with a heavy assignment shortly before his first official visit to the United States to hold a summit with President George W. Bush on Nov. 16.

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(5) Major US defense company cancels contract with Yamada Corp.

NIKKEI (Page 1) (Full)
November 10 2007

Northrop Grumman Corporation, a major defense company in the United States, has cancelled business with defense equipment trading house Yamada Corp., located in Minato Ward, Tokyo, it was learned on Nov. 19. Northrop Grumman renounced its agent contract on early warning aircraft with Yamada, and it has now concluded a contract with Sumitomo Corporation. Yamada Corp's excessive dining and wining with former Administrative Vice Defense Minister Moriya likely became the reason for Northrop Grumman's cancellation of the contract with Yamada. Among companies that have concluded contracts, Northrop Grumman was the first company to cancel a contract. Similar moves are likely from other foreign companies.

Northrop Grumman called off the agent contract on the E-2C early warning aircraft, which detects unidentified airplanes entering territorial airspace. The Air Self-Defense Force deployed the E-2C early warning aircraft in 1987. The ASDF has now 13 E-2Cs. The major job of the Japanese agent is to deliver Northrop Grumman's repair parts to the Defense Ministry. Sumitomo Corp. had had the agent contract until 1997, but the contract was transferred later to Yamada Corp.

Northrop's decision this time around is based on a violation in compliance by Motonobu Miyazaki, a former executive of Yamada Corp. and former Nihon Mirise president, who has been arrested on suspicion of misappropriating corporate funds.

When a foreign defense company concludes an agent contract with a Japanese trading house, the foreign manufacturer can include in an agreement that if the Japanese trader is unable to carry out agent business, the manufacturer can unilaterally cancel the contract.

Yamada Corp. has now concluded agent contracts with US Lockheed Martin Corporation on the versatile tactical missile system, and with Canadian Aviation Electronics (CAE) on a magnetic anomaly detector. General Electric has given Yamada Corp. notice that it suspended temporarily the agent contract on engines for fighter aircraft and destroyers.

(6) Poll on Fukuda cabinet, political parties, MSDF refueling mission

YOMIURI (Page 2) (Full)
November 13, 2007

Questions & Answers

(Figures shown in percentage. Parentheses denote the results of a survey taken in October.)

Q: Do you support the Fukuda cabinet?

Yes 52.2 (59.1)
No 36.0 (26.7)
Other answers (O/A) 3.3 (3.1)
No answer (N/A) 8.6 (11.2)

Q: Which political party do you support now? Pick only one.

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Liberal Democratic Party (LDP) 34.3 (37.8)
Democratic Party of Japan (DPJ or Minshuto) 22.5 (18.0)
New Komeito (NK) 2.7 (2.9)
Japanese Communist Party (JCP) 2.3 (2.5)
Social Democratic Party (SDP or Shaminto) 1.1 (0.9)
People's New Party (PNP or Kokumin Shinto) 0.2 (---)
New Party Nippon (NPN or Shinto Nippon) 0.2 (0.1)
Other political parties 0.1 (---)
None 36.0 (36.9)
N/A 0.6 (0.8)

Q: Japan sent Maritime Self-Defense Force vessels to the Indian Ocean under the Antiterrorism Special Measures Law. In the Indian Ocean, they conducted refueling activities for vessels belonging to the multinational forces engaged in antiterror operations in Afghanistan. However, the law expired on Nov. 1. Japan has therefore wound up its refueling activities there. Do you support continuing the MSDF's refueling mission there?

Yes 50.6
No 40.3
N/A 9.2

Q: (Only for those who answered "yes" to the foregoing question) Why? Pick as many reasons as you like from among those listed below.

Because Japan should participate in the war on terror 24.3
Because Japan was appreciated by the international community for its activities there 45.5
Because Japan needs to do so in order to keep its relations with the US in good shape 36.9
Because it's important to ensure safety in the Indian Ocean for its oil imports 35.1
Because it's comparatively safe to do so 15.3
O/A 1.0
N/A 1.3

Q: (Only for those who answered "no" to the foregoing question) Why? Pick as many reasons as you like from among those listed below.

Because it's against the Constitution 26.6
Because MSDF-supplied fuel is suspected of having been used for the Iraq war 47.2
Because there's no need to comply with America's request 42.1
Because it's all right to cooperate in civilian assistance or other areas 35.0
Because the Defense Ministry has been involved in scandals 19.5

O/A 4.4
N/A 0.8

Q: The government has now introduced a new bill to the Diet in order to continue the MSDF's refueling activities in the Indian Ocean. The new legislative measure limits the MSDF's activities in the Indian Ocean to fuel and water supply only. This bill does not require the government to ask the Diet for approval and sets the period of time for MSDF activities in the Indian Ocean at one year. Do you support this legislation?

Yes 48.7
No 38.8
N/A 12.5

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Q: Prime Minister Fukuda and DPJ President Ozawa met the other day and talked about forming a coalition of the LDP and the DPJ to break the political deadlock. However, the DPJ rejected the proposal. Do you think it would be better to form a coalition of the LDP and the DPJ, or would you like the two parties to consult on each policy issue? Do you otherwise think there's no need for them to consult?

Form a coalition government 12.0
Consult on each policy issue 65.7
No need to consult 16.7
N/A 5.6

Q: DPJ President Ozawa announced his intent to resign as his party's head to take responsibility for throwing his party into confusion. However, he later retracted his resignation and stays on. Is this convincing to you?

Yes 35.7
No 56.4
N/A 7.9

Q: Do you think the DPJ is competent to hold the reins of government?

Yes 32.4
No 58.1
N/A 9.5

Q: If an election were to be held now for the House of Representatives, which political party would you like to vote for in your proportional representation bloc?

LDP 35.7
DPJ 27.4
NK 3.1
JCP 2.5
SDP 1.2
PNP 0.5
NPN 0.2
Other political parties 0.1
Undecided 28.6
N/A 0.7

Polling methodology
Date of survey: Nov. 10-11.
Subjects of survey: 3,000 persons chosen from among all eligible voters throughout the country (at 250 locations on a stratified two-stage random sampling basis).
Method of implementation: Door-to-door visits for face-to-face interviews.
Number of valid respondents: 1,810 persons (60.3 PERCENT).

(7) CFE suspension: NATO presents Russia with compromise plan allowing stationing of troops in Georgia

YOMIURI (Page 6) (Full)
November 14, 2007

Koya Ozeki, Brussels

In reaction to the US program to deploy a missile defense (MD)

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system in Eastern Europe, Russia has announced that it would suspend its obligations under the Conventional Forces in Europe Treaty (CFE). In turn, the North Atlantic Treaty Organization (NATO), by reversing its previous position, has presented a compromise plan effectively approving the stationing of Russian troops in a former USSR-administered area in Georgia, it was learned yesterday. There is concern that if the treaty becomes null and void, it might rock the foundation of Europe's security environment in the post-Cold War era. Attention is focused on Russia's moves.

Russia withholds response

According to some sources familiar with NATO, the plan is designed to send a multinational peacekeeping unit to the Republic of Abkhazia, which is seeking independence from Georgia. More specifically, it is designed to reduce the size of the 2,000-strong Russian unit stationed in Abkhazia to allow its continued presence there in the form of incorporating it into the peacekeeping unit.

After being approved at NATO high-level talks, the plan was presented to Russia at the US-Russia foreign and defense ministers meeting (2+2), held in Moscow on October 12, and other venues. Coordination is necessary for selecting countries that will send troops. Russia seems to be keeping its response on hold.

The CFE setting caps on the conventional weapons allowed to be deployed by European nations is defined by a senior member of the US mission to NATO as the cornerstone of the European security system of the post-Cold War era. As seen in the fact that the Russian parliament adopted a CFE suspension bill on Nov. 7, the country is implementing necessary procedures steadily to stop following the treaty on Dec. 12.

Giles Merritt, director of the Security and Defense Agenda headquartered in Brussels, indicated that if Moscow stops abiding by the CFE, US-Russia relations would permanently deteriorate and NATO might be forced to review its post-Cold War strategy as well. Such a sense of crisis lies behind the shift of policy of NATO, which has been seeking a withdrawal of the Russian troops from Georgia and Moldova.

According to NATO sources, if Russia does not show a willingness to compromise on the NATO proposal, NATO members, including the United States, intend to persuade Russia to continue abiding by the treaty even by making additional concessions to Russia's demands, such as applying caps on the possession of arms by the three Baltic States that are not signatories of the CFE. NATO is considering allowing Russian troops to remain in Moldova, which was administered by the USSR, like Georgia.

In terms of military strategy, the loss of the effectiveness of the CFE has its drawbacks, including that it would be difficult for Russia to grasp the trends of NATO forces.

For this reason, the two sides are likely to make serious efforts to probe each other's intentions. With NATO planning to hold intensive talks with Russia over the next month with the aim of avoiding the loss of the treaty, chances are high that discussions on MD and other issues will also move forward. The future course of the talks is likely to significantly affect the security situation in Europe.

(8) TOP HEADLINES

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Asahi:

Padded bills: Former Administrative Vice Defense Minister Moriya makes phone call to division in charge, after receiving explanations from Yamada Yoko

Mainichi:

Tokyo District Public Prosecutors Office to build case against
Moriya on CX engine procurement: Defense Ministry officials to be
questioned

Yomiuri:

Case against Moriya to be built on suspicion of bribery

Nikkei:

Eleven companies, including Sun Microsystems, to build underground
information processing center as measure to prevent global warming:
Electricity consumption to be halved

Sankei:

Former officer of Chinese Embassy in Japan sentenced to death on
suspicion of leaking classified information to Japan

Tokyo Shimbun:

Moriya opposed Defense Ministry's plan, saying, "Is it necessary to
exclude a trading company?"

Akahata:

New antiterror bill clears Lower House: Scrap it in Upper House

(9) EDITORIALS

Asahi:

- (1) High yen, low share prices: Setback to longest economic boom
- (2) Skill Olympics: Society where goods-making is highly appreciated

Mainichi:

- (1) New antiterror bill sent to Upper House: Party-head talks
needed
- (2) Japanese economy returns to positive growth: Time to attach
importance to personal consumption

Yomiuri:

- (1) New antiterror bill: DPJ's delaying strategy irresponsible
- (2) Board of Audit report: Report wrongdoings to prosecutors

Nikkei:

- (1) Refueling bill a challenge for Upper House
- (2) Positive growth not a time to let our guard down

Sankei:

- (1) Fukuda's US visit: Look squarely at precariousness of Japan-US
alliance
- (2) Stock plunge and Japanese economy: Time to pay close attention

Tokyo Shimbun:

- (1) Inflation in China: Raising value of yuan holds key to
correcting distortions
- (2) Skill Olympics opens

Akahata:

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- (1) Stock plunge and low dollar: Japan openly tackling commotion

DONOVAN